

TENNESSEE HOUSING DEVELOPMENT AGENCY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 1999, AND JUNE 30, 1998
(Expressed in Thousands)

	1999	1998
Cash flows from operating activities:		
Operating income	\$ 8,990	\$ 48,017
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation and amortization	69	176
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(3,540)	(4,437)
(Increase) decrease in interest receivable	717	1,005
(Increase) decrease in first mortgage loans receivable	(32,667)	47,297
(Increase) decrease in due from federal government	-	108
(Increase) decrease in deferred charges	(109)	5
(Increase) decrease in other receivables	2	1
Increase (decrease) in warrants payable	89	(598)
Increase (decrease) in accounts payable	2,105	716
Increase (decrease) in due to primary government	(455)	(35)
Increase (decrease) in deferred revenue	206	492
Investment income included as operating revenue	(27,616)	(67,283)
Interest expense included as operating expense	99,919	106,005
Total adjustments	38,720	83,452
Net cash provided (used) by operating activities	47,710	131,469
Cash flows from non-capital financing activities:		
Operating grants received	39,208	42,728
Operating transfer to primary government	-	(43,000)
Taxes received	18,585	16,277
Negative cash balance implicitly financed	6,377	554
Proceeds from sale of bonds	313,407	304,547
Proceeds from issuance of notes	82,480	47,755
Operating grants paid	(50,806)	(50,343)
Cost of issuance paid	(416)	(549)
Principal payments	(414,634)	(371,850)
Interest paid	(95,184)	(108,491)
Net cash provided (used) by non-capital financing activities	(100,983)	(162,372)
Cash flows from capital and related financing activities:		
Acquisition of fixed assets	(24)	(109)
Net cash used by capital and related financing activities	(24)	(109)
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	731,992	1,096,294
Purchases of investments	(668,310)	(1,083,645)
Investment interest received	38,934	48,309
Net cash provided (used) by investing activities	102,616	60,958
Net increase in cash and cash equivalents	49,319	29,946
Cash and cash equivalents, July 1	211,573	181,627
Cash and cash equivalents, June 30	\$ 260,892	\$ 211,573
Noncash investing, capital, and financing activities:		
Disposition of fixed assets	\$ 96	\$ 39
Accretion of deep discount bonds	6,693	5,365
Total noncash investing, capital, and financing activities	\$ 6,789	\$ 5,404

The Notes to the Financial Statements are an integral part of this statement.